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# Conflict and Control in the World Economy:

Contemporary Economic Realism  
and Neo-Mercantilism

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# 1 Introduction

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The nature and condition of the world economy has rarely been more deserving of investigation and analysis. The 'great illusion' of indefinite economic well-being and stability, fostered during the later 1950s and 1960s, was shattered by a succession of shocks that assailed the global economy from the early 1970s onwards. By the mid 1980s the global economy had experienced a most distasteful cocktail of growing currency crises, accelerating inflation, shock oil price increases, the growing indebtedness of a number of Less Developed Countries (LDCs), induced recession, extensive unemployment and widespread fears of a protectionist epidemic.

Responses to these awesome developments have, however, been extremely varied. Many have argued that they constitute a profound crisis that reflects fundamental, structural failings within the contemporary international economic system. However, the pronouncements of the governments of some of the leading Advanced Industrial Countries (AICs) have been such as to suggest that current problems might be overcome through perseverance with a set of relatively straightforward policies.

The responses of analysts of international economic matters have been equally mixed. Orthodox economists have sought solutions to contemporary problems within the mainstream of their chosen 'discipline'. Many others, however, have seen the manifold disorders of the global economy as evidence of serious shortcomings, if not fundamental weaknesses, within widely accepted approaches to the analysis of economic life.

The issues, then, are whether the world faces fundamental problems and whether these confront orthodox views of economics with a profound challenge. If there are no pressing problems then further refinements of analysis remain of relatively marginal significance and of more academic than practical importance. However, if profound practical and intellectual challenges have arisen then the exploration of alternative perspectives upon economic reality and approaches to economic policy becomes a matter of the greatest significance and urgency.

### THE CONTEMPORARY 'CRISIS'

Widespread currency crises characterized the late 1960s and early 1970s, reflecting both the widespread growth of inflationary pressures and the intensification of international economic competition. The immediate effects of these pressures manifested themselves in the international monetary system. The convertibility of the US dollar into gold was suspended in August 1971 and the Bretton Woods system of fixed currency exchange rates finally collapsed in 1973. Such financial volatility was, however, but a weak foreshadow of what was soon to come in the international economy.

During 1973 and early 1974 the Organization of Petroleum Exporting Countries (OPEC) was able to impose spectacular increases in the price of crude oil: from some \$2.50 a barrel in early 1973 to \$11.50 a barrel in 1974. This price rise was accompanied by the general reduction of production and embargo of exports to the USA and the Netherlands. The rise was imposed by Middle Eastern oil producers in response to the Arab-Israeli war of late 1973.

There were three immediate and obvious effects of the oil crisis of 1973-4. First, the Arab oil embargo crystallized concerns about the reliability of supplies of this vital energy source and prompted similar sensitivities towards other critical resources. Second, the oil-importing nations of the world were faced with a massively increased oil bill: an estimated additional bill of some \$225 billion during the years 1974-7 and lost some \$600 billion's worth of economic production.<sup>1</sup>

Third, but by no means least, a number of oil-exporting states found themselves in possession of huge sums of foreign currency which could not be spent immediately and which were placed on deposit in the international banking system. The second wave of substantial oil prices of 1979 merely repeated and intensified these effects.<sup>2</sup>

The oil 'crises' of the mid and late 1970s also had a number of more indirect, but no less significant, effects. Sensitivities about secure supplies stimulated the accelerated exploitation of alternative sources, such as the North Sea. The example of OPEC's success encouraged many *Less Developed Countries* LDCs to believe that similar achievements might be possible in respect of other basic commodities. This, furthermore, prompted hopes that 'commodity power' might form the 'South's' main weapon in a confrontation with the rich 'North' over the structure and functioning of the international economic order. Such possibilities, in turn, merely reinforced the concerns of many in the North over the security of supplies of many important commodities and resources.

The oil price increases of the 1970s also intensified the inflationary tendencies which were already well established in many countries, including some of the leading AICs. Varied, but increasingly frenetic, official efforts to restore monetary stability soon materialized and contributed to the global recession of the early 1980s. The international banks, for their part, embarked upon a hectic search for 'suitable' borrowers for the massive quantities of 'petro-dollars' that had been placed on deposit by the more financially replete of the oil-exporting nations. Such borrowers were discovered in the form of the more promising of the LDCs. Unfortunately, the counter-inflationary (so-called 'monetarist') policies adopted by most of the AICs involved substantial domestic deflation and marked increases in interest rates. The effects of such policies were to induce recession, both domestic and global. Less Developed Countries were particularly hard hit by these developments, for the markets for their exports of basic commodities and their newer manufactured goods were substantially reduced at the precise time that they were seeking increased export earnings to repay their recently acquired debts.

The situation currently facing the world is thus one of serious unemployment within many AICs and LDCs, retarded global economic growth, and the massive indebtedness of many LDCs. The continuing danger of comprehensive default on payments of interest and capital by one or more of the major LDC debtors carries with it a profound threat to the stability, and even the survival, of the international banking system. With such a threat to the banking system of the Western world comes the additional danger of world economic dislocation on an awesome scale.

The threads connecting the dramatic developments of the 1970s and the crises of recession, indebtedness and intensifying friction in the international trading system are thus complex but fairly clear. The central question for both practitioners and analysts, however, is whether the developments of the 1970s were an aberration within an essentially healthy system or, in contrast, symptoms of an inherently flawed world economic system. If the former, then many of the policy measures adopted by Northern governments during the early 1980s could be seen as no more than the bad-tasting, but essentially short-term, medicine necessary to secure a return to order, prosperity and well-being. If, however, the problems were symptoms of deeper ailments, then budgetary restraint, deflation, wholesale 'bloodletting' within public services, and widespread industrial dislocation and rationalization, might have been both misconceived and ultimately futile.

The intellectual difficulty encountered in attempting to answer such a basic question is that the answer is by no means self-presenting. The contemporary global system is a phenomenon of such complexity and dynamism that no theory or approach can be subject to simple and straightforward testing. Any specific event or development within such a complex whole can provide some support for any one of a number of quite different propositions or approaches. Indeed the very ascription of significance to any 'fact' is possible only if it is located within a broader framework of ideas about reality.<sup>3</sup> Thus, the orthodox, 'conservative' economist might see the recent economic policies of many of the AICs as merely the realism and discipline necessary to

restore stability to a basically viable and vital economic system. The Marxist, in direct contrast, might view recent policy developments as no more than the desperate, predictable and ultimately futile efforts to stave off the impending collapse of a fundamentally unsound, and even self-destructive, economic system. To the former, every sign of economic improvement is evidence of the soundness of economic orthodoxy;<sup>4</sup> to the latter, such 'signs' mark no more than a temporary remission.

Empirical 'facts' about the world of economic, political and social affairs are thus interpretatively malleable and difficult, if not impossible, to prove or disprove in any simple manner. Acceptability remains, in large part, an essentially social and psychological matter. Established ideas thus appear 'obvious' while the claims of less orthodox approaches arouse suspicion and unease. The exploration of alternative perspectives remains essential, however, both as a corrective to orthodoxies which, once enthroned, dull critical thought and as an insurance against the possibility, if not probability, that current difficulties will compound and overwhelm established perspective and policies. To be unaware of alternatives is to be unarmed in a world of constant change, complexity and difficulty.

## PERSPECTIVES UPON THE INTERNATIONAL POLITICAL ECONOMY

The condition of the contemporary international political economy is clearly in need of careful examination. The notion of an international *political economy*, rather than a simple *economy*, reflects a number of considerations. First, economics, both domestic and international, are a major policy concern of political authorities. Second, developments within the economic realm have a substantial impact upon almost all the other areas of policy which are of concern to governments. Third, but slightly more controversial, it can be argued that much of the structure and functioning of the contemporary international economic system is a direct product of the policies and actions of governments in the past

and the present. In this last sense, then, a *political* economy is such, precisely because it is a creation of politics and will ever be so!

The three major perspectives upon the contemporary world political economy, the liberal, the Marxist and the 'Economic Realist', with its neo-mercantilist leanings, have developed in response to, and interaction with, one another.<sup>5</sup> These basic approaches have, themselves, generated many variants, each of which attracts committed adherents. The discussion in this book will concentrate upon idealized forms of the liberal and the Economic Realist approaches. The 'Economic Realist' approach has been so titled for two reasons. The approach claims, firstly, to reflect and accommodate the complex set of 'realities' exhibited by the empirical world. The approach, secondly, shares a basic identity of outlook with the 'Realist' theory of international relations, as will be indicated subsequently.

Marxist interpretations will not be considered directly in this study, although the approach that is to be propounded is quite compatible with insights and ideas of a Marxist parentage. Indeed, it well may be that an effective analysis of the structure of the contemporary global political economy must incorporate such notions, irrespective of their origin.

## THE MARXIST APPROACH

Marxist analysis of the contemporary global political economy constitutes a powerful and largely self-contained system of ideas and interpretations.<sup>6</sup> Its approach to current 'realities' is systematically critical and, at many points, based upon an analysis of underlying forces and dynamics, many of which are not open to direct and immediate observation.<sup>7</sup> Prescriptively the bulk of prevailing arrangements and institutions are to be repudiated, overthrown and replaced by a new global order based upon socialist (or even communist) principles. Analytically, and predictively, Marxism remains essentially deterministic. The majority of Marxist studies are also somewhat ambivalent in their attitudes towards ideas derived from non-Marxist sources. Many reject such ideas as

reactionary rationalizations or obfuscations; a few are willing and able to use such ideas and analytical techniques as complement analysis, irrespective of their formal origin.

The neglect of the Marxist approach in this volume, however, is a result of its epistemological basis and analytical character. Dependence upon non-observable forces and features, while it may be ultimately sound, does face the analyst with numerous difficulties. Determinism is also intellectually and emotionally unpalatable to many. Sympathy must therefore be extended to those who are uneasy with such an approach and would prefer to remain within the realms of the more-or-less observable and prosaic (with whatever epistemological qualifications such notions might warrant).

Practitioners and analysts alike are also faced with the problem that Marxist predictions of socialist transformations, both domestic and global, are necessarily atemporal. Prior to such transformations, which may be long awaited, relations within and between states will reflect non-socialist principles and practices. Indeed, in a world in which socialism has yet to achieve its final triumph, much of the international economic behaviour of nominally socialist states shows little influence of socialist principles. While critical forms of neo-Marxism may be instructive with regard to such 'anomalies', non-Marxist perspectives may have much to offer on prevailing behavioural 'realities'.

## LIBERAL THEORY VERSUS ECONOMIC REALISM

The centre of the intellectual and political stage within the societies of the rich, North-Western (structural rather than geographical) quadrant of the modern world is occupied by the liberal analysis of economics, and such influential derivatives as modern neo-classical economic theory. This approach offers a system of ideas and analytical techniques which, by appearing to be extremely rigorous, exerts considerable appeal. It is, however, a theoretical construction which, as will be shown later, has acquired its apparent

virtues as a direct result of basic characteristics and assumptions which seriously distance it from the reality to which it is supposed to relate and even correspond.

The classical forerunner of modern liberal economics was, however, developed as a prescriptive programme as well as a statement about the nature of contemporary reality. The prescriptive purpose of Adam Smith was to attack, and hopefully dismantle, the mercantilist economic doctrines that governments were supposedly pursuing at the time of writing *The Wealth of Nations*. This prescriptive-positive fusion has continued to characterize liberal economics, despite the pretensions and claims of many latter-day adherents, throughout its long evolution from classical into modern neo-classical forms.

As liberal economics has evolved through time, experience and continued confrontation with competing approaches, so too has the mercantilist perspective. The reality of systematic mercantilism in the seventeenth and eighteenth centuries has been contested by some historians, who see it as no more than a 'straw-man' invented by writers like Adam Smith for their own polemical purposes.<sup>8</sup> However, many of the policies and practices of the European states of those days did include features that warrant the title 'mercantilist'.

The common purpose of mercantilist measures was to promote the strength and potential power of the state, and its ruler(s), against other communities with which conflicts of interest, and arms, might develop. Initially, classical mercantilism was seen to be primarily 'bullionist'; policy being directed towards the accumulation of bullion, specie and all other readily transportable forms of wealth that might be used for recruiting and sustaining armed forces. Later, classical mercantilism broadened its vision to include the promotion and protection of the society's general economic strength, and capacity, and the establishment of a strategically advantageous balance of trade with other states.

The classical mercantilist view of the international system thus accords with that of the modern *Realist* school of international relations' analysis, pioneered by E. H. Carr<sup>9</sup> in Britain and Hans J. Morgenthau<sup>10</sup> in North America. Economic policy was to be based upon the certainty of

conflict with other societies and the need to ensure that the state was optimally placed to sustain itself in, and through, such eventualities. Unfortunately, the practical implications of such a disposition could be extensive and, as Adam Smith emphasized, encourage governmental involvement in, and interference with, virtually every element of economic and social life. Personal freedom and economic vigour might be suppressed by such rampant mercantilism; possibilities which might best be prevented by the adoption of a liberal, free-enterprise system in which the role of government would be minimal.

Modern Economic Realism perpetuates the concern of classical mercantilism with strategic security but is equally, if not primarily, motivated by a perceived need to promote the economic well-being and stability of the societies which governments serve. Extensive, and often intensive, governmental involvement in many areas of economic and society is a response to the chronic uncertainties of the modern economy, both domestic and global, and complexities of advanced industrial societies and the numerous demands that populations now place upon their rulers. General economic well-being has thus been added to the traditional quest for national security and international influence.

The issue between the liberal and the Economic Realist perspectives upon the global political economy has both empirical and prescriptive aspects. At one level, proponents of the two contrasting approaches to economic policy and behaviour assert that theirs offers the best prospect of general stability and well-being. At another level, there is disagreement about the principles upon which the contemporary global economy actually operates.

The latter controversy is particularly interesting and directly germane to this discussion. It is often an explicit assertion, or an implicit assumption, of liberal writers that much of global economic progress of both the late nineteenth century and the post Second World War era was a direct function of the liberal trade system developed and sustained during those periods. Moreover, departures from liberal purity are viewed as economically and politically damaging aberrations. Protectionism is the outstanding departure from

the path of economic purity, a perversion of national economic policy that is held to undermine economic efficiency, and well-being, and hence to stimulate political and military conflict between nation states.<sup>11</sup>

Critics of the liberal position, in contrast, reject all these basic arguments. A truly liberal global order, it is contended, has never been more than a fantasy of liberal theory, and ideology, and has certainly not constituted a necessary condition of economic progress. The periods of substantial economic progress in the past were actually characterized by conditions that significantly departed from those envisaged by, or enshrined in, liberal theory. Indeed, Economic Realists would argue that it is precisely those practical departures from the liberal prescription that produced the combination of stability and effective leadership within the system that was necessary for such impressive global economic advance. This, it would be held, is precisely because the liberal approach rests upon a number of fundamental misconceptions and is quite misleading in the picture that it paints of present, and potential, realities.

The lines of battle between the liberal and the Economic Realist are thus clearly drawn. The liberal believes that economic progress, nationally and internationally, is dependent upon the maintenance of a *laissez-faire* domestic economy and international free trade. The Economist Realist believes, in contrast, that effective governmental influence, or even control, over the economy is essential for national economic progress and well-being, while international economic control and regulation are necessary conditions for long-term global stability and prosperity.

Beyond the central axes of dispute, the liberal and the Economic Realist approaches also differ substantially in the way in which they deal with many prominent features of the contemporary global economy. Liberal economic theory, and its neo-classical variant, has never been happy in dealing with monopolies and oligopolies. Much of the appeal of the liberal paradigm rests upon two claims: first, that it establishes that a true *laissez-faire* system ensures the maximum possible satisfaction of the economic wants and needs of the population; and, second, that it is capable of subjecting the

realm of economic life to determinate analysis: a form of analysis that establishes what *must* be the ultimate outcome in any identifiable situation. Unfortunately, micro-economic theory demonstrates that monopolies will, by virtue of economic logic rather than mere greed or mendacity, charge more and produce less than would competitive suppliers.<sup>12</sup> The existence of monopolies thus necessitates a reduction of aggregate well-being and satisfaction for the community. Studies of oligopolies, moreover, demonstrate that their behaviour is intrinsically indeterminate.<sup>13</sup> As any casual observer of the behaviour of the oil companies recently in the United Kingdom will know, at times oligopolists engage one another in determined price-cutting competition, at others they lapse into a tacit and harmonious price-stabilizing cartel.

Monopolies and oligopolies, then, are phenomena with which liberal theory would really prefer not to have to deal. Individual economists may study them, but monopolies and oligopolies continue to confront the governing theoretical paradigm with fundamental problems that are both serious and consistently evaded. Thus the existence of monopolies and oligopolies are stated in conventional economics textbooks but their development is not explained. Again, their damaging welfare effects tend to be glossed over. Finally, the future prospects of monopolies and oligopolies are barely considered.

The evasive schizophrenia of liberal economics is accentuated when the phenomenon of the multinational, or transnational, corporation (MNC or TNC) is addressed. Many TNCs are world-wide oligopolists, in fact or in the making, which have profound, and by no means always benign, effects upon the societies within, and between, which they operate. Some liberal economists would, however, treat them as no more than ordinary competitive, free-market enterprises which, by virtue of size and breadth of operation, are able to maximize productive efficiency, put the world's productive resources to their optimal use and, hence, provide consumers with the widest range of goods, and services, at the lowest possible cost. Others, in contrast, express clear apprehensions about the behaviour of such world-striding corporations and their structural impact upon the global

system. However, when such critics of TNCs remain firmly within the liberal paradigm their work remains, of necessity, pragmatic and bereft of a systematic basis.

The Economic Realist, or neo-mercantilist, has no such difficulties with TNCs. Their emergence, nature, and behavioural characteristics are quite comprehensible. They are organizations that act precisely in accordance with the expectations of the Realist. In a complex and turbulent world, the TNC seeks size, strength and influence in pursuit of the maximum attainable level of control over its environment. It is no more than another major actor within a formally 'anarchical' global system: an actor that lacks some of the resources of a territorially based nation-state, but which is also free of many of its pressing responsibilities.

The liberal approach remains embarrassed by such common features of the contemporary international scene as the efforts of groups of states to establish control over the global economy, or some sector, and the existence, and activity, of TNCs. The Economic Realist encounters no such difficulty with such enduring aspects of reality.

The analytical strengths and weakness of the liberal and the Economic Realist schools thus differ in type and significance. The liberal approach offers a deductive system of argument and a variety of powerful analytical techniques that, in sum, appear both rigorous and intellectually attractive. In contrast, Economic Realism embraces a bare few fundamental assumptions and deductive arguments. It is, however, able to accommodate far more aspects of reality.

Power and influence are two outstanding features of reality that Economic Realism is better equipped to handle. Liberal economic theory is based upon the analysis of competitive markets in which, by definition, no consumer(s) or supplier(s) is able to influence market developments solely by its own actions. Power and influence are thus excluded, from the outset, in the basic construction of this theory of economics.

Economic Realism, in market contrast, is founded upon the assumption that actors, be they firms, states or coalitions, will seek power and influence within their environment and over those with whom they interact. Economic Realism does not exclude competitive markets, in the way that the liberal

approach denies power and influence. Indeed, perfect competition can be treated as a special case, while gradations of competitiveness can be defined, identified and analysed as they appear in the real world. The *analytical power* of Economic Realism is thus greater than that of neo-classicism for it can accommodate the content and purview of the latter. The reverse is not true of the liberal approach, its analytical rigour notwithstanding.

Liberal theory is also, with one or two particular exceptions, consistently condemnatory of protectionist policies. However, the liberal argument has had a further, and equally serious influence for it has encouraged excessive concentration upon the more manifest protectionist measures and other overt forms of governmental intervention to support national exporters. This has encouraged a form of tunnel-vision which has often inhibited a proper recognition of the wide range of policies available to governments that seek to enhance the economic performance of their communities and the economic strength of their states. The consequences of this perceptual disturbance are twofold: the analysis of contemporary reality is simplified to the point of serious distortion, while the prescriptions for policy, and policy makers, are ill founded and often misleading.

## THE SUBSEQUENT DISCUSSION

The purpose of this volume is to establish the need for an Economic Realist perspective upon the political economy, to identify its content and to explore its wide-ranging implications in the contemporary world. It will be argued that such a perspective illuminates the neo-mercantilist character of many of the policies and practices of the governments of modern societies. This study is, therefore, at one with a continuing tradition that includes such notable recent publications as Calleo and Rowland's *America and the World Political Economy*,<sup>14</sup> and Dudley Seers final work, *The Political Economy of Nationalism*.<sup>15</sup> It will also be contended that this approach is particularly effective in revealing the analogous purposes and practices of the transnational cor-



porations that play a major, and growing, role in the global political economy.

The underlying theme of this discussion is that prevailing conditions compel actors within the global political economy to attempt to establish control and influence over their environment, both material and human. The acquisition of many resources and capabilities may be directed towards this end. Various combinations of resources, capabilities and conditions then determine the degree of control that any actor will be able to secure.

Central to the discussion will be the argument that many conventional discussions of state economic behaviour have been unduly narrow in their focus. Attention has often been confined to explicit measures of protection and export promotion. While such policies and practices remain of considerable significance in the contemporary world, governments and their societies also engage in a far wider range of activities that may have a considerable bearing upon industrial performance and general economic well-being. An examination of the range and variety of such policies and practices will be a particular concern of this volume.

This study is also somewhat more stoical in its basic philosophy, and modest in its theoretical pretensions, than much work within the liberal and the Marxist paradigms. Notions of perfection and perfectibility occupy an important, if implicit, place in many such studies. The emotional appeal of such approaches does not, however, provide any guarantee of secure answers to the major issues of the global political economy. Indeed, it is doubtful if such answers can be found for a world of such complexity and not a little intractability.

Theoretical elegance might also prove irresistibly seductive to the unwary. Not only is the real world rather more complex and evasive than many major theoretical approaches acknowledge, but the relationship between human thought and action is also such as to compound the problems confronting analysts. Human activity reveals a simple pattern of linear evolution only to those who are disposed to see such orderly and progressive patterns. Developments in human activity are actually rather more diverse in

character, sometimes cyclical, sometimes dialectical and, on occasion, a direct reversal of former lines of evolution.

The complex and variable patterns of development in human activity reflect, in large part, the central role of the ideas that direct human thought and action. The conscious repudiation of past principles of behaviour may, in some cases, lead to changed patterns of activity. The analyst that seeks to identify the principles of human behaviour must accommodate such principles, where they correspond to the activity that is observed, but does so only at the expense of a particular difficulty. The ideas that the analyst develops have a dual status: they may be, at once, central to what is being investigated *and* to the way in which it is studied. This characteristic does not rule out any form of 'social science' as some, like Peter Winch, have argued<sup>16</sup> but does render the enterprise problematical.

Human beings have the 'irritating' habit of arguing about the very principles upon which they are to base their conduct: much of politics is just such a debate. If debate is central to human activity then it must be accommodated by, or reflected in, studies of human activity. Debates amongst participants may, therefore, necessitate parallel debates within, or between, works of analysis. A serious error may, moreover, be committed by those who believe, or pretend, that the human condition, in whole or part, can be fully apprehended by any one theory or approach. Indeed, the more internally rigorous the theory, and the more demanding its fundamental principles, the less is it likely to encompass the full complexity and contentiousness of reality.

This study, then, has two purposes. The first is to contribute to the general, and necessary, debate between contrasting views of the global political economy and the most effective forms of economic activities to be adopted by societies. If the view of the human condition that has been suggested above is sound then such an exercise is, of itself, valuable. However, the second purpose of this study is to identify the many policies and practices that may actually benefit societies. Such an exercise may well be preferable to guidance from theories that, while appearing elegant and relatively powerful, fail to do full justice to a world of such

complexity and intractability that the 'second best', and even 'third best', remain characteristic of reality.

## NOTES

1. D. Pirages, *Global Ecopolitics: The New Context for International Relations*, (Belmont, Cal.: Duxbury, 1978) pp. 124 and 125. See also H. Askari and J. T. Cummings, *Oil, OCED, and the Third World: A Vicious Triangle* (Austin, Texas: Center for Middle Eastern Studies, 1978) pp. 1-11; and Edith Penrose, 'Oil and international relations', *British Journal of International Studies*, Vol. 2 (1976) pp. 41-50.
2. J. E. Spero, *The Politics of International Economic Relations*, (London: George Allen and Unwin, 2nd edn., 1982) pp. 265-70.
3. See the discussions in the chapters by R. J. Barry Jones, John Maclean and Richard Little, in Barry Buzan and R. J. Barry Jones (eds.), *Change and the Study of International Relations: The Evaded Dimension*, (London: Frances Pinter, 1981).
4. See, for instance, the eulogy to monetarism by Alan Walters in *The Economist*, 4 May 1985, pp. 19-23.
5. Not all writers in the field follow this classification. Many offer 'structuralism' as an additional major perspective to the liberal and Marxist. See, for instance, D. H. Blake and R. S. Walters, *The Politics of Global Economic Relations*, (Englewood Cliffs, NJ: Prentice-Hall, 1976) and Spero *op. cit.* This 'structuralism', however, is not a theory of the same status, or implication, as the others with which it is arrayed. Economic Realism/neo-mercantilism lacks some of the theoretical rigour of the other approaches but can lay claim to equal historical and practical significance.
6. On which, see, M. Barratt Brown, *The Economics of Imperialism* (Harmondsworth: Penguin Books, 1975); R. Owen and Bob Sutcliffe (eds.), *Studies in the Theory of Imperialism*, (London: Longman, 1972); M. C. Howard and J. E. King, *The Political Economy of Marx* (Burnt Mill: Longman, 1975); and A. Gamble, 'Critical political economy,' pp. 64-89 in R. J. Barry Jones (ed.), *Perspectives on Political Economy: Alternatives to the Economics of Depression*, (London: Frances Pinter, 1983).
7. See John Maclean, 'Marxist epistemology, explanations of 'change' and the study of international relations', pp. 46-67 in Buzan and Jones *op. cit.*
8. See D. C. Coleman, 'Introduction', esp. p. 4, and 'Eli Heckscher and the idea of mercantilism' esp. pp. 92-3, in D. C. Coleman (ed.), *Revision in Mercantilism* (London: Methuen, 1969).
9. E. H. Carr, *The Twenty Years' Crisis: An Introduction to the Study of International Relations*, (London: Macmillan, 2nd edn., 1946).

10. Hans J. Morgenthau, *Politics Among Nations: The Struggle for Power and Peace*, (New York: Alfred Knopf, 4th edn., 1967).
11. For a clear presentation, and critical discussion, of this view see Barry Buzan, 'Economic structure and international security', *International Organization*, Vol. 38 (Autumn 1984), pp. 597-624.
12. See, for instance, R. G. Lipsey, *An Introduction to Positive Economics*, (London: Weidenfeld and Nicolson, 1st ed., 1963), Ch. 18.
13. See, for instance, Peter Kenyon, 'Pricing', pp. 34-45 in A. S. Eichner (ed.), *A Guide to Post-Keynesian Economics*, (London: Macmillan, 1979); and Joan Robinson, "'Imperfect competition" revisited', pp. 166-81 in Joan Robinson, *Contributions to Modern Economics*, (Oxford: Basil Blackwell, 1978).
14. D. P. Calleo and B. J. Rowland, *America and the World Political Economy: Atlantic Dreams and National Realities*, (Bloomington: Indiana University Press, 1973).
15. Dudley Seers, *The Political Economy of Nationalism*, (Oxford: Oxford University Press, 1983).
16. Peter Winch, *The Idea of a Social Science*, (London: Routledge and Kegan Paul, 1958).